MOTION FOR ELECTION TO THE CENTRAL SILK BOARD

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES AND THE MINISTER OF STATE OF THE MINISTRY OF WATER RESOURCES (SHRI RAM NIWAS MIRDHA): Madam, I beg to move the following motion:

"That in pursuance of clause (c) of sub-section (3) of section 4 of the Central Silk Board Act, 1948 (61 of 1948), this House do proceed to elect, in such manner as the Chairman may direct, two members from among the members the House to be members of the Central Silk Board."

The question was put and the motion was adopted.

CALLING ATTENTION TO A MATTER OF URGENT PUBLIC IMPORTANCE

CRISIS IN THE TEXTILE INDUSTRY AFFECTING COTTON GROWERS AND HANDLOOM AND POWERLOOM WEAVERS AND THE ACTION TAKEN BY GOVERNMENT IN THE MATTER.

THE DEPUTY CHAIRMAN: We shall now take up the Calling-Attention Motion.

SHRI A. G. KULKARNI (Maharashtra): Madam, I wish to call the attention of the Minister of Textiles to the crisis in the textile industry affecting cotton growers and handloom and powerloom weavers and the action taken by Government in the matter.

THE MINISTER OF STATE OF THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRI RAM NIWAS MIRDHA): Madam the production figures of both yarn and cloth indicate the basic health of the textile industry. Total yarn production increased from 1382 million kgs. during 1984-85 to 1471 million kgs. during 1986-87. The production of cloth has increased from 12,014 mill. mtrs, during 1984-85 to 12,988 mill. mtrs, during 1986-87. However, over the last few months, Government has been receiving many representations regarding problems faced by handloom and powerloom in different parts of the country. The cotton year 1986-87 saw a reduction in total production and rise in prices of cotton. With this, there has been a corresponding increase *in* the prices of cotton yarn. Profitability of weaving operations has been affected by the rise in prices of cotton yarn and poor off-take of cloth due to erosion of purchasing power in rural and urban areas mostly due to drought conditions and floods. The problems regarding demand for cloth have affected the viability of weaving operations in all sectors of the textile industry.

I propose to discuss the issues specifically concerning cotton growers, handloom and powerloom weavers.

The production of cotton during 1985-86 was one of abundance with the production level being 107 lakh bales. On account of declining cotton prices, the cotton Corporation of India made massive purchases totalling 15.73 lakh bales during 1985-86.

Production of cotton during 1986-87 was 95 lakh Wales as compared to 107 lakh. bales in the previous year. The decrease in production wag on account of drought conditions prevailing in certain parts of the country. The mill consumption of cotton which was 86.57 lakh bales in 1985-86 increased to 95 lakh bales on account of encouragement given for yarn exports. The exports of cotton during 1986-87 were of the order of 14.47 lakh bales, including spill over of 9.71 lakh bales of 1985-86 •crop. The actual quota released during 1986-87 was 4.57 lakh bales of staple cotton and 50,000 bales of Bengal desi.

The cumulative effect of exports of cotton during these two years, increased mill consumption of cotton and decreased production level in 1986-87, was that the prices of cotton increased considerably during 1986-87. For the crop year 1986-87 the Ministry of Agriculture had fixed the minimum support prices for kapas of fair average quality by allowing an increase of Rs. 5/- per quintal in respect of two basic varieties. For tho year 1987-88, the Ministry of Agriculture